



# FACT SHEET

## REINDUSTRIALIZATION OF OAK RIDGE

### Office of Worker & Community Transition

#### Background and Challenges

The Oak Ridge Complex (Oak Ridge) is an extensive establishment encompassing a broad spectrum of technical and scientific activities. The K-25 site was built in the 1940's to produce enriched uranium for nuclear weapons. In late 1987, the Department of Energy (DOE) shut down the K-25 site as its Cold War mission ended. Ten years later in 1997, the K-25 site was renamed the East Tennessee Technology Park (ETTP) to reflect its new mission of reindustrialization. As a result of the changes and budget cutbacks, ETTP experienced a 22.2 percent reduction in prime contractor employment between the years of 1993 and 1998.

#### The Path to Progress

To offset the impacts of this work force reduction, as well as to promote economic growth, the DOE began a reindustrialization effort at Oak Ridge. The goals of reindustrialization include: reuse of existing ETTP property and equipment, acceleration of facility cleanup, development of nearby land to recruit new industries to the region, and economic diversification of the surrounding communities.

The Community Reuse Organization of East Tennessee (CROET), established in November 1995, has helped fulfill the goals of the reindustrialization effort by recruiting private sector companies through innovative leasing agreements to utilize Oak Ridge assets, and thereby creating quality job opportunities for displaced workers. Lawrence Young, President of CROET, asserts that "one of the area's greatest resources is its work force, and only by attracting good companies with quality jobs can we retain that most critical asset."



An employee of Materials and Chemistry Laboratory, Inc. performs a chemical analysis.

#### Community Success Stories

Through DOE funding, CROET is successfully fulfilling its goal of reindustrialization of Oak Ridge. As of September 30, 1998, a total of 617 jobs were created or retained at ETTP, with an additional 2,397 new jobs projected by the year 2001. Highlighted below are many of the private corporations CROET recruited to create more jobs, diversify the community and generate greater cost savings for DOE.



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## ***Community Assistance Funds Create Jobs***

- CROET is funding the East Tennessee Materials and Energy Corporation's (M&EC) clean out of ETTP buildings where M&EC plans to build a waste treatment center. M&EC will hire about 200 workers over five years, and is committed to hiring current and former ETTP site workers as well as maintaining the current wage rate at ETTP.
- Infrared Technologies, Inc., a start-up company that engineers and fabricates heat treating material annealing equipment, is using technology licensed from DOE and leasing building space at ETTP.
- CROET also recruited private companies, Materials and Chemistry Laboratory, Inc., and Southern Freight Logistics, to lease building space at ETTP and they will also provide many new jobs.
- CROET supports the development of the National Electronics Recycling Center, that will focus on research, development, demonstration, testing and evaluation of problems related to the electronics recycling industry and will eventually transition from a federally-supported endeavor to become self-sustaining.

## ***Reindustrialization Efforts Result in Significant Cost Savings for DOE***

- CROET's efforts have already saved the DOE approximately \$198 million through leasing and bartering arrangements.
- A \$550 million savings is expected from DOE's contract with British Nuclear Fuels, Ltd. to cleanup three of the largest buildings at the ETTP, operating well ahead of DOE's original schedule.
- Overall, reindustrialization at Oak Ridge has resulted in over \$800 million of validated savings and costs avoidances to the taxpayer over 30 years.



An employee of Infrared Technologies, Inc. demonstrates a prototype heat treatment furnace.

### **Contact Information**

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